

**Office Pack
(OP #2)**

Ave. Tons/Mo.:	Ave. Price/Ton:
101.20	\$69.83

Pricing for office as affected by other to its stand-alone

pack, generally, is not fiber market trends due high grade, long-fiber

quality, and high percentage of white paper. End-users for high grade paper are generally limited to domestic markets because it commands a significantly higher price than other common fibers, which Asia is not willing to pay during uncertain economic times. Weyerhaeuser and Smurfit were the primary buyers of our high grade mix which consisted of white and pastel colored office paper, manila folders, white envelopes and envelopes with windows, computer paper and other grades of white paper. Also, Pacific Forest sent test loads to a new emerging recycling market in Peru. The average pricing for office pack was over \$30 per ton less in 1998 than in the prior year. The prices in 1997 for high grade material were higher because Asia was still willing to pay premium prices for high quality material. Waste Management conducted several test periods of separating high grade from mixed paper including sorted white ledger to analyze product marketability, employee productivity and the effects on diversion. Though pounds picked per hour generally decrease when a high grade is sorted, this year's high productivity, and consistent sorting increased our average monthly tons from 11 to 100. Also, by sorting a high grade we were able to retain higher revenues for the City of Sunnyvale.

Projections and Marketing Strategy for 1999

Pricing is expected to remain steady throughout 1999 and should not be impacted by depressed export markets. Waste Management will continue to practice the "highest and best use" philosophy by sorting high grade fiber when market and operational conditions are optimum. For example, the separation of high grade from mixed paper makes sense when fiber markets are low and when production levels are seasonally slower (i.e.: wet conditions). Quality control is constantly emphasized and monitored, as end-users require higher standards for their product. We are targeting a flexible sorting program that can be adjusted to reflect the most beneficial outcome in a changing market. Waste Management's efforts will focus on sorting a higher grade office pack (#1) which includes fewer contaminants and prohibitives for the purpose of increasing the revenue by \$20 per ton. We will continue analyze the effect of employee productivity (lbs. picked per hour) and diversion.



SMaRT Recovery Landmark: +1,733%

**Mixed Glass
Bottles & Jars**

Ave. Tons/Mo.:	Ave. Price/Ton:
58.01	\$87.37

Pricing for glass remained stable in markets did not affect

bottles and jars 1998, as overseas domestic buyers. An

additional 8 tons per month was recovered from the MRF in 1998 over the prior year. Waste Management marketed glass material as four separate colors - mixed, green, amber and flint. A new wine bottle program was reinitiated in 1998 to promote "highest and best use" recycling through reuse. Due to the selectivity of local wineries, the program accepts only certain domestic wine bottles that fit company specifications, which accounts for approximately ¼ of all bottles collected. Though the SMaRT Station produced a small volume of bottles (1/2 truckload in 8 months), we feel the program is justified for three reasons: 1) to boost public relations, 2) to reinforce our commitment to the "highest and best use" program and 3) to increase dollars per ton for glass.

Projections and Marketing Strategy for 1999

California Redemption Value will increase significantly in 1999 since Waste Management conducted an Individual Commingled Rate Survey at the SMaRT Station on all beverage containers. The survey was taken one week each month in 1998 which resulted in doubling the average number of CRV containers compared to the Department of Conservation's rate. The city of Sunnyvale is expected to realize an increase of \$28 per ton in 1999. Local buyers for glass are limited to two direct buyers; Western Strategic Materials, and Container Recycling Alliance who are certified with the Department of Conservation and follow their pricing guidelines. In 1998, Waste Management purchased Container Recycling Alliance and has received excellent service and pricing due to inter-company synergies. Waste Management will continue to utilize its company's combined volumes to secure the best prices in the market. We will also continue to provide for the collection of specified domestic wine bottles to promote "highest and best use" recycling as long as a demand for the product exists.



SMaRT Recovery Landmark: +12%

HDPE Plastic
Natural & Colored

Ave. Tons/Mo.:	Ave. Price/Ton:
9.08	\$47.80

Due to operational MRF, the material was cubic yard containers.

marketability was very limited as we relied on a close, accommodating processor to keep transportation costs as low as possible. In 1998, market pricing for HDPE dropped primarily due to weak exports markets and the low price of virgin material. Recovery increased by 2 tons per month compared to the prior year. Waste Management sold to a local buyer, Markovits & Fox who also serviced our metal bins. In this case, because markets were down, it was important to leverage our metal tonnage to ensure the movement of the plastic. Unfortunately, Markovits & Fox was unable to accept HDPE containers that contained oil because it was prohibitive to their baling process. The plastics were first sorted off the line then mechanically through the NRT system, to increase the value of the shipments as natural HDPE is higher priced than its colored counterpart.

limitations in the marketed loose, in 50 Therefore, our

Projections and Marketing Strategy for 1999

Pricing for HDPE will continue to be effected by the Asian markets. In 1997, Western Waste did a test load of baled plastics to add value to the HDPE and to take advantage of export markets. Though we realized an additional revenue of \$0.07 per pound, the Selco baler did not make an adequate bale, leading to light bale weights and added labor costs in trying to re-band bales that had broken. If the curbside program becomes operational this year, a new double-ram baler would be purchased and then bales could be shipped directly to an end-user rather than to a broker or processor who asks additional fees for their services. Transportation costs will also be less as outbound shipments will be carrying substantially more weight, less often.



SMaRT Recovery Landmark: + 25%

**Polyethylene Bottles
(PET)**

Ave. Tons/Mo.:	Ave. Price/Ton:
4.86	\$695.60

The 1998 average increased by \$84 per year. Also volume

PET price overall ton from the previous increased by almost 2

tons per month. As with HDPE, PET was marketed loose, in 50 cubic yard containers and sold to Markovits & Fox in San Jose. Markovits & Fox are certified processors under the Department of Conservation's CRV program and receive guaranteed rates.

Projections and Marketing Strategy for 1999

Beverage makers are beginning to experiment with various other materials such as PEN, which could reduce the demand for recycled PET in their product, and amber colored PET, which could contaminate current mill processes. Though pricing may continue to be flat due to weak export markets, the low price of virgin material and a high level of processor capacity, pricing for the SMaRT Station is on track to realize an additional \$155 per ton as a result of the CRV percentage increase reflected by the Individual Commingled Survey completed by Waste Management. Waste Management will continue with the CRV program and sell to Certified Processors such as Markovits & Fox which represents secure market for a volatile commodity. The potential to bale colored sorted PET material under the curbside program will increase value and open up additional market opportunities.



SMaRT Recovery Landmark: +54%

Scrap Metal
(ferrous & nonferrous)

Ave. Tons/Mo.:	Ave. Price/Ton:
313.32	\$10,85

Markovits & Fox,
was the buyer of all
SMaRT Station in

located in San Jose,
scrap metal for the
1998. Recovery

increased by about 53 tons per month and the price per ton average decreased by \$10. Pricing fluctuated significantly from \$28/per ton in January, dropping to \$5 through the last half of the year not including added transportation costs of \$175 per load. The domestic markets faced a flood of cheap imported steel and other metals from Asia and Russia who needed to bring cash to their ailing economies. Metal markets became flooded by August causing a virtual halt on domestic shipments which led to many lay-offs and company bankruptcies. Due to the SMaRT Station's high metal volume, Markovits & Fox continued to move our material. They provided the SMaRT Station with five 50-cubic yard bins and processed an average of over 313 tons per month from our facility. Also, Waste Management increased our recovery in types of scrap metals other than steel and tin separated on the tipping floor such as aluminum, copper, copper insulated wire and other bi-metal products to increase the dollars per ton lost in this down market.

Projections and Marketing Strategy for 1999

Though primarily steel prices were first affected by cheap Asian imports, copper and aluminum values also began to decline at the end of 1998, and pricing is expected to remain down throughout 1999. Asian and Russian economic markets will not recover overnight, but the U.S. Trade Commission is moving to limit metal imports to provide some relief to our domestic markets. Marketing our scrap metal remains limited to nearby processors as service is required to be prompt and frequent due to space limitations at the SMaRT Station. Waste Management plans to continue separating ferrous and non-ferrous material to increase the value of our end product.



SMaRT Recovery Landmark: +18%

Aluminum Cans (UBC)

Ave. Tons/Mo.:	Ave. Price/Ton:
13.60	\$2013.71

The 1998 market for significantly impacted economic crisis. Prices

ever recorded at the SMaRT Station by the end of year reaching \$0.37 per pound. Though the price per ton dropped by over \$228, the average tons recovered per month doubled. Waste Management sold all of its material to a participating California Redemption Value recycler, Tomra Pacific (formerly named Reynolds Aluminum) and frequently compared pricing with our current scrap metals hauler, Markovits & Fox. Tomra Pacific supplies the SMaRT Station with a can crusher and blower to efficiently process the cans separated in the MRF and the Buyback /Drop-off Center. The cans were then "blown" into a trailer loose, and processed at their plant.

aluminum cans was by the Asian hit their lowest point

Projections and Marketing Strategy for 1999

As with scrap metal, future market pricing will be heavily dependent on import pricing. The prices should stabilize and may even improve slightly if the U.S. Government limits the volume and establishes floor pricing of imports. As with the other California Redemption Value containers, aluminum cans will be redeemed by the state at a higher percentage than last year due to the Individual Commingled Survey that was conducted in 1998. Waste Management will maintain its relationship with Tomra Pacific as they are the only processor that will accept aluminum foil mixed with the cans. Pricing was compared to that of another local hauler, Markovits & Fox who would buy and process at the same price, however could not provide us with crusher/blower equipment. We will look at options to expand marketing capabilities through more efficient packaging options. These include the use of a double-ram baler when the curbside program is in place. Once sorted and baled, other buyers such as Anhaeuser-Busch would be interested in purchasing the aluminum cans collected from the MRF and Buyback/Drop-off Center.



SMaRT Recovery Landmark: +79%

Scrap Tires

Ave. Tons/Mo.:	Ave. Price/Ton:
12.67	\$(99.09)

Oxford Tire Recycling
tires for the SMaRT
types of tires removed

recycled 138 tons of
Station in 1998. The
include passenger,

goat (i.e.: forklift) and large truck tires with and without rims. The pricing structure remained constant throughout 1998, and all of the tires were burned for tire-derived fuel to produce electricity. Mid-year, news broke that Oxford's tire site was shut-down due to over capacity, though they continued to service the SMaRT Station and recycled the tires at another contracted California tire recycling location. Waste Management recently opened a crumb rubber factory at their Davis Street, San Leandro location, where we began to ship tires in December for two reasons: 1) tires are recycled into useful products and 2) it ensures an environmentally safe manner of processing compared to burning for fuel. In order to reduce the cost charged per tire, Waste Management purchased a used tire mount to take the rims off the majority of tires which then increases revenue to the City when the rims are recycled through Markovits & Fox. Oxford provided hauling and pick-up service on a once per week basis. In December, Hollister Disposal, a certified waste tire hauler provided us with a 50-foot trailer for on-site storage.

Projections and Marketing Strategy for 1999

Waste Management is willing to pay an additional \$0.50 per tire or over \$4,600 per year to ensure the tire recycling for the SMaRT Station is administered in an environmentally responsible manner. We are interested in promoting a "close the loop" program by supporting new markets that reuse the rubber for highway construction/asphalt, mats, molded and rubberized products, tire remanufacturing/retreads, recreation surfaces, and for landscaping/erosion control purposes. Waste Management encourages the participating cities of Sunnyvale, Mountain View and Palo Alto to consider using or recommending this crumb rubber product for construction or renovation projects in their respective areas. New markets will continue to be investigated as the demand for tire-derived recycled products grows, stimulating processors/collectors to rejoin the market.



SMaRT Recovery Landmark: + 21.7%

Wood Waste

Ave. Tons/Mo.:	Ave. Price/Ton:
175.83	\$0.00

Prior to 1995, much of produced was sold to However, the bio-fuel

the wood waste bio-fuel companies. market declined and

eventually collapsed causing several regional co-generation plants to close. Until the fourth quarter, Waste Management has marketed its wood chip product as landscaping material to Browning-Ferris Industries (BFI) who hauled the material at no cost to their facility, Newby Island in Milpitas/San Jose, where it was processed and sold as "redwood chips". BFI no longer wanted our wood chips due to the bits of plastic and paper contaminating the loads. Other markets were examined, and a bio-fuel market was established in Modesto under a current Waste Management account at \$15.00 per bone dry ton. Hollister Disposal hauls the wood chips to Modesto and the revenue that the material generates covers all transportation costs.

Projections and Marketing Strategy for 1999

Due to deregulation of utility markets, bio-fuel co-generation plants have begun to make a comeback in 1999. Waste Management will continue to examine these potential markets as long as the hauling is economically viable. If a bio-fuel market brings in positive revenue for the material, the current wood pallet program would be reviewed and the City of Sunnyvale would retain all revenues. The pallet program was implemented in the fourth quarter of 1996 and seems to be successful in capturing pallets to be recycled in the "highest and best use" category. Waste Management expects to continue this program with L.G.S. Pallets located in San Jose. Currently, they provide a trailer and transportation in exchange for the recyclable pallets, which are then reconditioned and sold for reuse at their facility. Waste Management will propose to initiate other "highest and best use" wood programs in 1999 salvaged lumber and bundled firewood logs available for sale to the public in the Buyback/Drop-off Recycling Center.



SMaRT Recovery Landmark: + 36%

Processed Yard Waste

Ave. Tons/Mo.: Overs - 1378.79 Fines- 517.66	Ave. Price/Ton: (\$9.21)
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Processed yard waste hauled by BFI to be applications as soil

was primarily recycled in land amendments,

composting and erosion control measures. The SMaRT Station paid BFI \$9.50 per ton for the transportation and marketing of the green waste. Also, a permitted agricultural composting farm received approximately 150 tons per month to use in their composting program to fertilize on-site planted organic produce and as bedding for dairy cows during the wet season. Hollister Disposal, a Waste Management company and LA Hearne hauled these loads to the farm located in Salinas at \$8.00 per ton, which resulted in decreasing the average price per ton for 1998. In addition, participating cities, local landscaping businesses, public highway maintenance departments, and residents picked up the processed yard waste at no charge.

Projections and Marketing Strategy for 1999

In 1999 Waste Management hopes to introduce a new competitive "clean green rate" to entice local landscaping businesses and residents to bring their material to the SMaRT Station. Potential recycling alternative daily cover (ADC) markets for our MRF fines product may affect proposals for the handling and marketing of our green waste. The components of the proposal include the above mentioned recycling applications and in addition, the incorporation of MRF fines mixed with green waste to be potentially recycled as beneficial ADC for landfill remediation. Both BFI and Waste Management are examining LEA regulations referring to the MRF fines/green waste product for use as ADC and may save the participating cities substantially on diverted disposal costs. Also, the dairy farm plans to open a fully permitted composting site which allows for the sale of compost, whereby more of the SMaRT Station's green waste will be in demand at the lower \$8.00 per ton rate. All proposals will be assessed based on current and future market activity and the information shared with the City of Sunnyvale.



SMaRT Recovery Landmark: + 15%

Concrete

Ave. Tons/Mo.:	Ave. Price/Ton:
282.83	(\$ 5.73)

In 1998, an additional was recovered over the contributing to the

Management's new productivity tracking tools and challenging diversion bonuses to employees and Interim employees if goals were met. All concrete and asphalt tipped at the SMaRT Station was sorted on the tipping floor or in the MRF and transported to Raisch Products to be recycled. Raisch Products primarily processed our debris for ready-mix and asphalt markets. Pricing remained stable since last year at \$70 per load for clean concrete.

26 tons per month prior year. A factor increase was Waste

Projections and Marketing Strategy for 1999

The cost to drop-off concrete and asphalt is expected to remain steady or may see a slight increase in 1999 since no price increase was passed in the last year. The market for base rock products is increasing with the vibrant Bay Area economy and Raisch is keeping up with the demand by bringing in more material from local street and building construction. They anticipate greater activity in the road construction industry through 1999 as the local light rail project is underway. Waste Management will continue to utilize Raisch for the SMaRT Station's recyclable debris due to their convenient location and low pricing. The challenging diversion goals for concrete set in 1998 were met and Waste Management expects to exceed this year's tonnage increase in 1999.



SMaRT Recovery Landmark: + 22%

White Goods

Ave. Units/Mo.:	Ave. Price/Unit:
108.42	(\$15.00)

Management
refrigeration and oil
Triton Mechanical to

In 1998, Waste
contracted a licensed
recovery company,

process white goods at the SMaRT Station for \$15.00 per unit. After the units were serviced, the CFC's and oil were recycled through Triton Mechanical and the scrap metal went to Markovits & Fox for which the city of Sunnyvale retained all revenues. The average number of units increased from last year by 16 units per month. The price increased approximately \$3 per unit since we were unable to incorporate a reuse program. A reuse program was initiated with St. Vincent DePaul; however, after three tractor trailer loads were shipped at no cost, they determined that there were too few units that they could reuse due to age or damage.

Projections and Marketing Strategy for 1999

The SMaRT Station recycled 9.33 tons of white goods in 1999. Waste Management will continue to utilize Triton Mechanical to legally remove any CFC's and CFC laden oil from the refrigeration units. We will actively pursue other "highest and best use" recyclers such as St. Vincent DePaul if the market can handle the SMaRT Station's volume and accepts the damaged condition of the units. All other white goods such as stoves/ovens, dishwashers, etc. will be included with our scrap metal recyclables.

**Used Motor Oil, Oil Filters,
Anti-freeze, Batteries**

Ave. lbs./Mo.:	Ave. Price/lb:
9169.42	Batteries: (\$0.35)
Ave. Gals./Mo.:	
2060.00	(\$21.89)

Waste Management
with Evergreen
the recycling of the

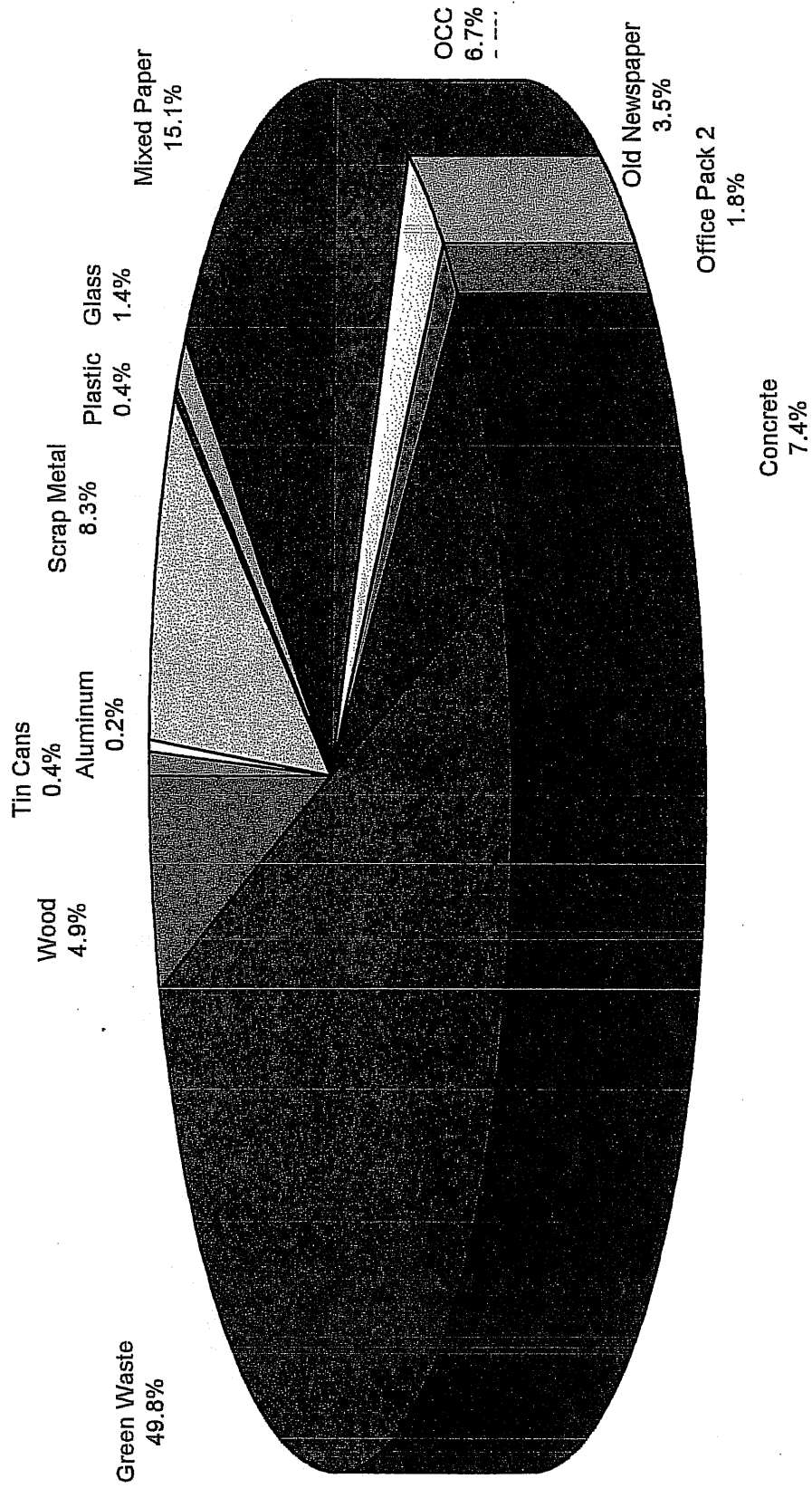
continued to contract
Environmental for
used motor oil.

Automotive Environmental Services recycled the oil filters and anti-freeze at their East Palo Alto location and Laidlaw (now Safety-Kleen) hauled all lead batteries which were recycled in California by Kinsbursky Brothers, Inc. The average pounds per month increased by 2,500 and average gallons per month more than doubled due to the City of Sunnyvale curbside waste oil collection program being relocated to the SMaRT Station.

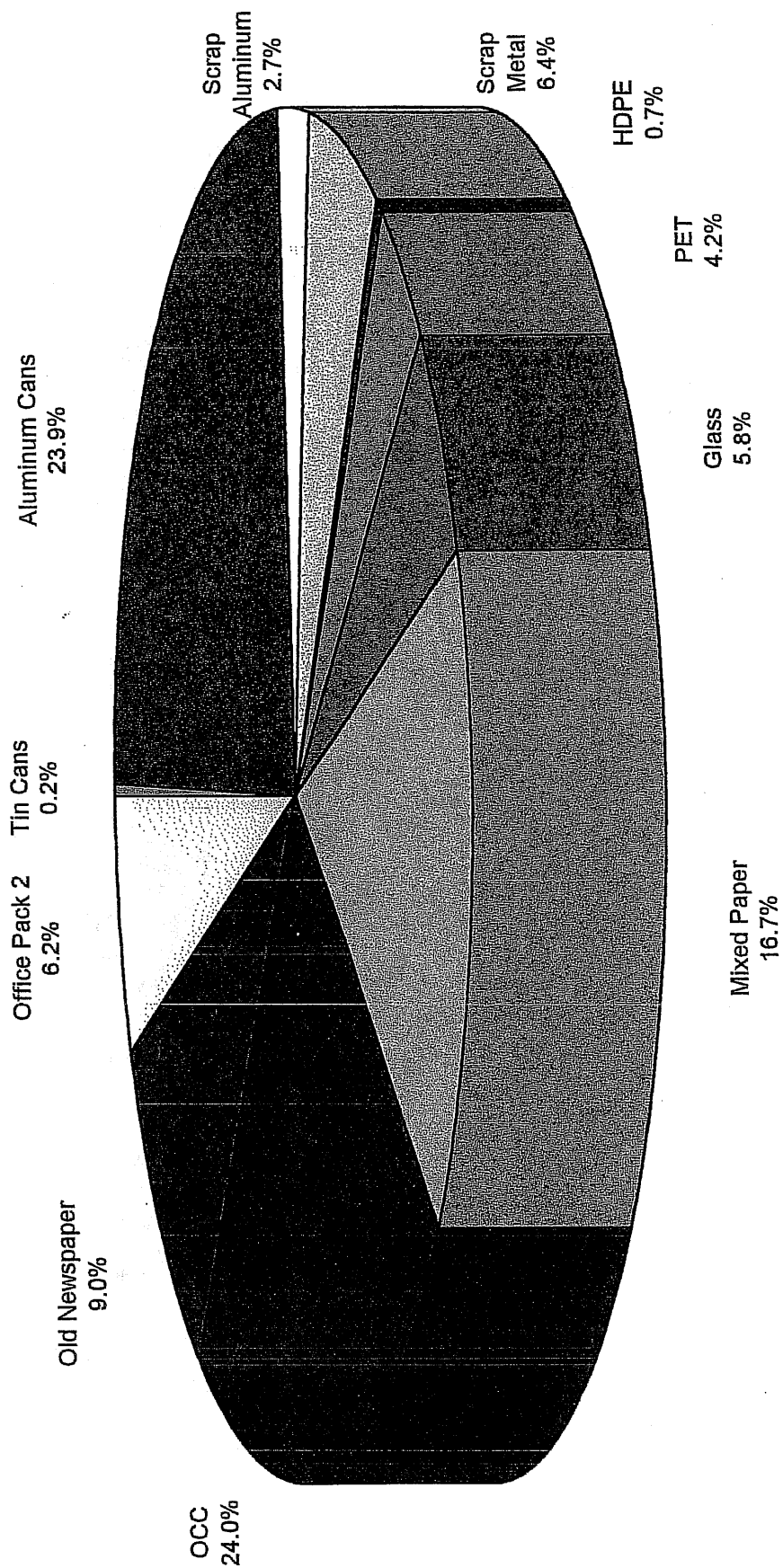
Projections and Marketing Strategy for 1999

Recycling markets for these items remain limited and expensive. In the case of batteries, the City of Sunnyvale helped to initiate a countywide recycling program, which should save significantly on packing and shipping costs in 1999. Waste Management will continue to use its current vendors to recycle oil, oil filters and anti-freeze as long as our markets are competitive. In the case of Safety-Kleen, the excellent pricing we currently receive is due to the link with the Sunnyvale Household Hazardous Waste program for which they are also the approved vendor. We will continue to try and expand our hazardous waste recycling program to include nickel-cadmium batteries and hope to institute a county-wide collection program in 1999.

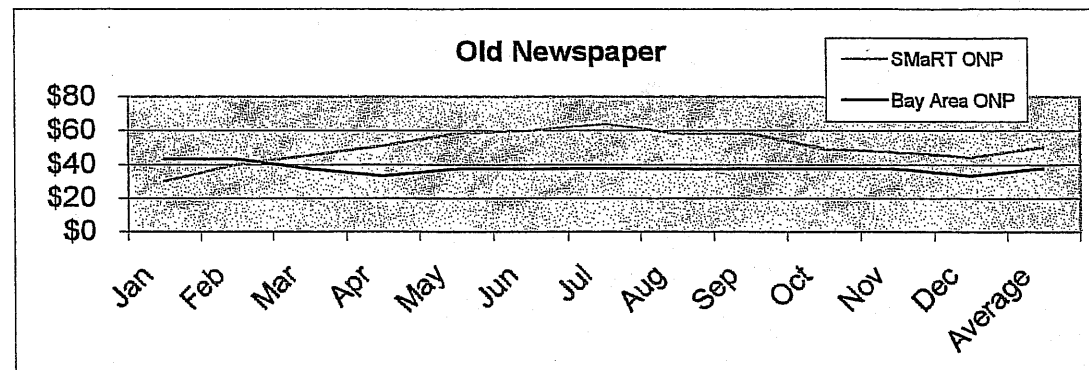
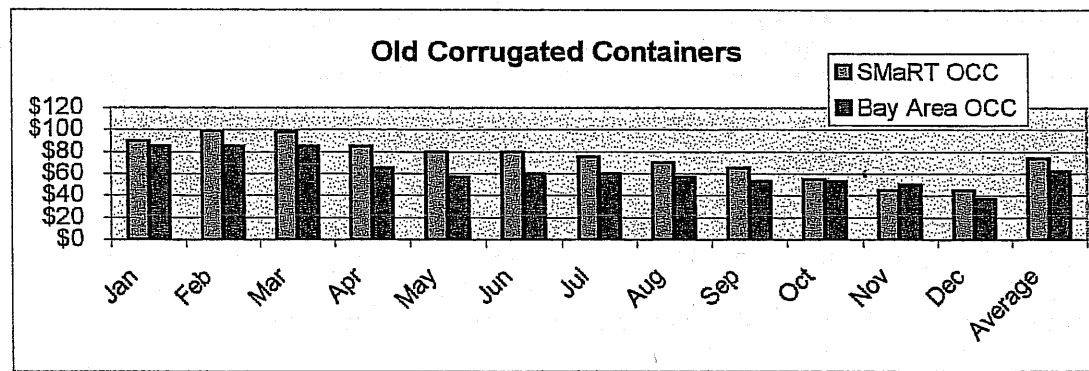
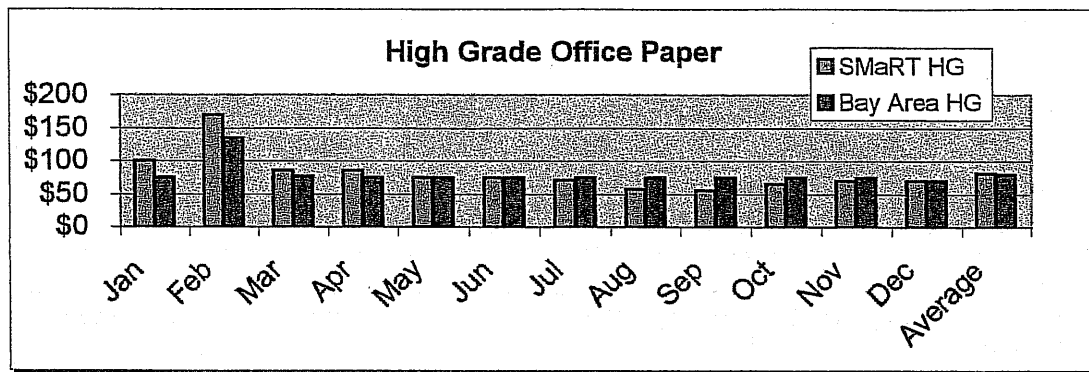
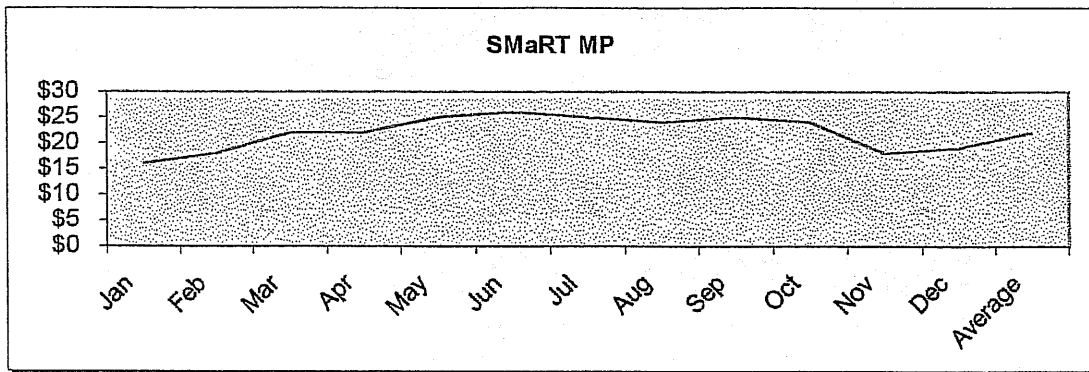
SMaRT Materials Recycling - 1998



SMaRT Commodity Revenue - 1998

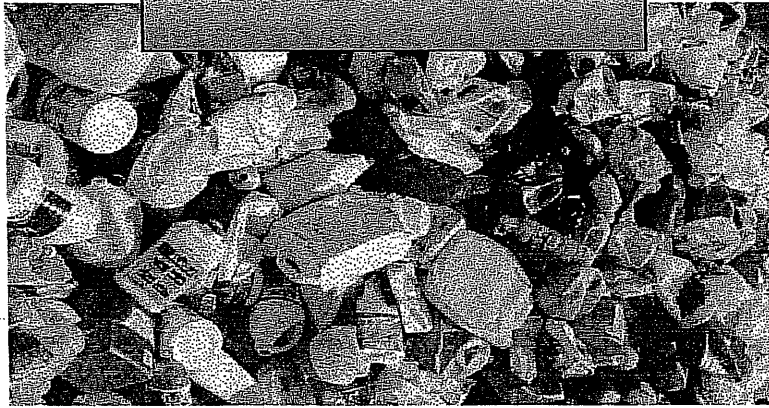


SMaRT Commodity Price Comparison for 1998



* Bay Area pricing is published in "Recycling Manager" and are based on shipped baled material. No pricing was published for mixed paper in the Bay Area.

Recycling Test Markets



Waste Management identifying new and markets for are not currently SMaRT Station. markets will be

is committed to potential materials which recycled at the These potential assessed to

consider factors such as percentage of commodity in the waste stream, collection and processing systems, end-user specifications, demand for material and market structure and trends. A strong emphasis will be placed on:

MRF Fines

Currently, residual material less than 2" generated from the residential and commercial sorting lines is directed to the main conveyor to be landfilled. In 1996, Western Waste had the material analytically tested and provided samples to BFI and Cascade Forest Products for compost and vermiculture demonstrations. Each company stated that the material was not suited as a compost product as glass contaminated the material. A second option for the MRF fines included mixing the material with green waste to be processed in the Jeffrey Hog for use as alternative daily cover (ADC). Currently, AB 1647 provisions allow landfill operators to use processed green waste as ADC and apply recycling credits toward diversion goals. USA Waste completed a demonstration project with BFI which was monitored by the county Lead Enforcement Agency. MRF fines collection systems have been designed and Waste Management has identified other potential markets for the material such as Kirby Canyon, and, other Waste Management divisions in the region have shown interest in using the material as ADC. More recent developments have stalled the use of green waste (50% of the Smart Station's MFR fines/ADC mix) in Santa Clara County as landfill cover for environmental and political reasons. Other options include first composting the MRF fines to use as a stand alone cover, or mixing it with other landfill cover materials such as soil and auto fluff. All proposals and final agreements will be subject to the approval of the City of Sunnyvale.

Other Plastics (#3-#7)

Plastics #3-#7 include PVC- Polyvinyl Chloride (pipe, meat wrap, cooking oil bottles), LDPE-Low-density Polyethylene (wrapping films, grocery bags), PP- Polypropylene (syrup bottles, yogurt tubs), PS- Polystyrene (coffee cups, "clam shells") and other plastics. In the beginning of 1997, test bales of a mixed plastic sort were made after a 3-day collection period from the MRF. Pralumex, a plastics buyer for Asia purchased the test load for about \$40 per ton. Current markets are not strong for this product primarily because the only buying markets in Asia are facing an economic crisis. Also, the current Selco fiber baler used in the MRF does not produce adequate bales of plastic due to the resin memory. A limited marketability for the mixed plastic will remain until Asian markets begin to recover and the SMaRT Station installs a double-ram baler. Additional training for overseas specifications may be required as markets change in the future.

Putrescibles

Waste Management plans to conduct a pilot program to identify, sort and compost food and other organic items categorized as putrescibles. Potential loads showing a high propensity of containing food waste such as restaurant, school and hospital cafeteria accounts will be identified with the help of haulers for the participating cities. Once the loads have been identified, a temporary negative sort line will be set up on the tipping floor to pull out any non-organic contaminants. BFI, who currently composts green waste from the SMaRT Station, has a demonstration permit to compost food organics at their Dixon-Landing site. BFI has agreed to include the SMaRT Station's putrescibles in its compost demonstration program. If the demonstration program is successful, the participating cities may want to establish a food/organics route in their respective cities to increase their landfill diversion goals.

Computer and Electronic Components

Waste Management will examine potential markets in the Bay Area which recycles computer components such as circuit boards, integrated circuits, electronic scrap metals, semiconductors, mainframes, disk drives, etc. A two-week pilot program was conducted to collect computer items tipped at the SMaRT Station in November of 1998. This test period will determine that the types and quantity of items tipped at the SMaRT Station was inconsistent and lower than expected in volume. The decrease in computer components can be attributed to the high profile of Silicon Valley companies with established "take back" programs such as Hewlett-Packard and Xerox. There are also several computer component only recycling companies such as VP Electronics, United Data Tech Distributors and Berman's Diversified Industries where businesses and residents can take their components and in many cases, get paid cash for items. Most of the computer-related items tipped at the SMaRT Station are broken and crushed, so recovery and refurbishment are not an option. Waste Management will not market the recycling of computer components at this time based on the results of the pilot test. We will consider expanding another pilot test to include all electronic components since Waste Management is under current negotiations with a regional electronics recycler.

Nickel-Cadmium (Ni-Cad) Rechargeable Batteries

Waste Management looks forward to establishing a Ni-Cad battery collection program in the Buyback/Drop-off Center in cooperation with the Rechargeable Battery Recycling Corporation (RBRC) in 1999. Ni-cad rechargeable batteries include power cordless telephones, camcorders and notebook computers. The RBRC is introducing a nationwide public education campaign and battery recycling program which the SMaRT Station can participate. The RBRC will distribute campaign information and will recycle our collected batteries at no charge because Waste Management's regional participation will commit a high volume of batteries to this program.

Other Potential Recycling Markets

Waste Management has established a regional recycling office in the bay area to assist its divisions with product marketing, operational synergies and equipment and resource information. Marketing projects currently being examined include creating a partnership with a polystyrene (Styrofoam) recycling company. Polystyrene is widely used to make foam packaging materials, food containers and construction materials. The company has successfully tested its technology that converts the solid into a poly gel which is then shipped to be recycled into new products. Waste Management will test the collection IFOS machine in Chicago and will make a decision on a national rollout campaign.

Marketing Tools



The best for the SMaRT high quality Surprisingly, waste facility, the recyclable consistently

highest domestic and export standards, so the material remains in demand. Tours of the facility for buyers are encouraged so they become familiar with our process and are comfortable with our operations. For example; America Chung Nam, a current fiber buyer for China, no longer requires outbound loads to be inspected before shipment, a standard requirement for the majority of their customers. They are familiar with SMaRT Station operations and trust our well-established and consistent quality standards.

marketing tool Station is its end product. for a mixed processing quality of our commodities passes the

Other marketable products for the SMaRT Station include processed yard waste, compost, firewood and scrap lumber which can be available for free and for sale in the Buyback/Drop-off Recycling Center. By marketing more items to buy and sell at the recycling center, we can attract additional residential and business customers and encourage the SMaRT Station to be more than just a Department of Conservation "convenience zone", but a welcome service to the community. Though Waste Management has already targeted several commercial avenues for the green waste material, we want to expand the current public program by reaching residents through cooperative mailings with the participant cities and their contract haulers. "Free Mulch" or "Compost on Sale" announcements can be placed in local publications such as the City of Sunnyvale Newsletter and information can be disseminated through residential mailings.

In addition to marketing outbound commodities, Waste Management plans to increase its incoming volumes of clean green and wood material for its recyclable value. Flyers will be targeted for clean green/wood public customers during free dump events. Also, Waste Management will gather and maintain data on participant city landscaping business and construction contractors as potential customers who can be targeted for direct mail campaigns. Additional clean recyclable volume and revenue can be generated for the participating cities by offering scrap value pricing for valuable fibers such as cardboard and white office paper. Minimum tonnage would be specified, and Waste Management could act as a broker to purchase material and bale and sell direct to a mill at a reasonable profit margin. The participating cities would retain the revenues generated to possibly help off-set the costs of marketing green waste.

The recycling industry is volatile and always changing, so it is important to remain in touch with market trends and opportunities. Attending industry trade shows and seminars and participating in regional exhibitions can stimulate networking and open new markets for our recyclable commodities. At exhibitions, SMaRT Station materials such as brochures, fact sheets and business cards are available. Also, a SMaRT Station video and slide presentation produced by our staff can be incorporated when appropriate. As operators, it is important for us to inform ourselves of market trends, but it is equally important to inform the participating residents of our communities about the SMaRT Station's role in recycling.

For the second year in a row, the City of Sunnyvale and Waste Management jointly planned another successful "America Recycles Day" campaign and held several activities and tours to educate the public about recycling at the SMaRT Station. Residents learned that the City of Sunnyvale's program at the SMaRT Station has contributed to diverting over a record 52% of waste from the landfills. Waste Management looks forward to planning another event for 1999. All marketing, promotional and advertising activities will be coordinated with the City of Sunnyvale.